

**FY 2001 - 2006 PERFORMANCE BASED INCENTIVE****SECTION 1  
General Information**

Title: Dispose Immobilized Low Activity Waste (ILAW)

Project Baseline Summary (PBS): TW09

Work Breakdown Structure (WBS): 1.01.04.01.02

Maximum Available Incentive Fee: 5.5 percent of the total available FY 2001 – 2006 incentive fee pool

Type: Standard

**SECTION 2  
Technical Contacts**

ORP Author: W. Taylor/P. LaMont

Contractor Point of Contact: D. Allen/R. Root

**SECTION 3  
Performance Expectations and Earning Schedule****General:**

1. The Contractor's final fee will be determined in accordance with clause H.1, Performance Based Incentives and Fee Distribution.
2. Performance Based Incentives (PI) may be modified to reflect changes to the project baseline resulting from external drivers, such as, submission and approval of TPA change requests for consistency purposes.
3. Acceptable product completion represents technical adequacy and good value to the government.
4. This PI was based upon a previously negotiated and/or approved PI for FY 2001. Previously approved PIs were deleted upon entering into the contract extension.

**Specific Requirements:**

PI consists of ten elements:

1. Issue a draft FY 2001 Performance Assessment for review by U.S. Department of Energy Headquarters (DOE-HQ). Due 3/29/01. (Earn 5% of Fee)
2. Complete the Conceptual Design Report (CDR) for Project W-520. Due 5/31/01. (Earn 5% of Fee)
3. Obtain Borehole Number 2 samples and issue a summary report on the samples. Due 9/27/01. (Earn 5% of Fee)
4. Submit Project W-520 Part B Application, Rev.0, to ORP in support of TPA Milestone M-20-057. Due 7/31/2002. (Earn 10% of fee)
5. Issue Project W-520 Execution Plan. Due 9/30/2002. (Earn 5% of fee)
6. Submit a recommendation to ORP for the preferred concept and contractor scope of work for transportation and disposal of DOE immobilized high-level waste (IHLW) and immobilized low-activity waste (ILAW) samples and failed High Level and Low Activity melters. Due 12/31/2003. (Earn 12% of fee)
7. Complete Project W-520 design (TPA Milestone M-90-09-T01). Due 2/28/2005. (Earn 20 % of fee)
8. Submit Project W-520 Preliminary Safety Analysis Report (PSAR) and Safety Analysis Report for Packaging (SARP) to ORP for approval. Due 3/31/2005. (Earn 15% of fee)
9. Issue a draft FY 2005 Performance Assessment update for review by DOE-HQ. Due 3/31/2005. (Earn 9% of fee)
10. Start Construction of Project W-520 (TPA Milestone M-90-08). Due 2/28/2006. (Earn 14% of fee)

## SECTION 4

### Performance Requirements

**DEFINE COMPLETION:** *(Specify Performance Elements and describe indicators of success (quality/progress). Include baseline documentation/data against which completion documentation should be compared.)*

1. By December 29, 2000, submit a draft FY 2001 Performance Assessment for U.S. Department of Energy – Office of River Protection (DOE-ORP) review and comment in accordance with the Review Comment Record (RCR) process. Comments from DOE-ORP shall be returned within 25 working days after December 29, 2000. Comments shall be dispositioned. If a comment is not accepted, it will be dispositioned as “not accepted” with a written explanation for nonacceptance. A revised draft FY 2001 Performance Assessment with RCR comments incorporated shall be submitted by March 29, 2001 for review by DOE-HQ.
2. By April 20, 2001, submit a draft 90% CDR to DOE-ORP for review and comment in accordance with the RCR process. The 90% draft will include sketches, outline specifications, preliminary safety evaluation, block flow diagrams, cost estimates, design and construction schedules, and Budget Authority/Budget Outlay [BA/BO] schedules. The CDR shall meet the requirements of DOE Order 430.1A. Comments from DOE-ORP shall be returned within 15 working days from the draft submittal date in accordance with the RCR process. Comments shall be dispositioned. If a comment is not accepted, it will be dispositioned as “not accepted” with a written explanation for nonacceptance. The final CDR shall be provided to DOE-ORP no later than May 31, 2001.
3. By March 29, 2001, complete drilling and collection of samples from Borehole Number 2 for the Immobilized Low-Activity Waste Disposal site. The borehole will be drilled, cased, and samples collected per the approved borehole sample plan. By August 30, 2001, a draft Borehole Number 2 Summary Report on sample properties shall be submitted to DOE-ORP for review and comment in accordance with the RCR process. Comments shall be returned within 15 working days from submittal of the draft report. Comments shall be dispositioned. If a comment is not accepted, it will be dispositioned as "not accepted" with a written explanation for nonacceptance. The final Borehole Number 2 Summary Report on sample properties will be issued by September 27, 2001.
4. Submittal of Project W-520 Part B, Rev.0, Application to ORP. The RCR process (described in completion item #1) shall be used with an ORP review period of 30 working days provided prior to 7/31/2002.
5. Submittal of Project W-520 Execution Plan. The RCR process (described in completion item #1) shall be used with an ORP review period of 30 working days provided prior to 9/30/2002.
6. Letter to ORP providing a recommendation for the preferred concept and the proposed contractor scope of work for transportation and disposal of DOE IHLW and ILAW samples and failed High Level and Low Activity melters. The letter report shall provide an evaluation of a range of options that address cost, schedule, implementation risk, and regulatory concerns for each option. The letter report shall provide sufficient basis for selecting a preferred option.
7. Release the approved Project W-520 design media into the Hanford Document Control System. Completion is defined by approval of the Engineering Data Transmittal associated with the design package. If an ORP critical design review is performed, then completion is defined by transmittal of the CHG approved design to ORP for critical review.
8. Submittal of Project W-520 PSAR and SARP to ORP for approval.
9. Submittal of draft FY 2005 Performance Assessment update for review by DOE-HQ. The RCR process (described in completion item #1) shall be used with an ORP review period of 30 working days provided prior to 3/31/2005.
10. Letter reporting start of construction of Project W-520.

**DEFINITIONS:** *(define terms)*

**COMPLETION DOCUMENTS LIST:** *(Name the Documents, Databases, etc., which will be submitted to show completion for each Performance Expectation.)*

1. Project W-520 FY 2001 Performance Assessment.
2. Project W-520 Conceptual Design Report.
3. Borehole Number 2 Summary Report on sample properties
4. Submittal of Project W-520 Part B Application, Rev. 0, to ORP.
5. Submittal of Project W-520 Execution Plan.

6. Letter to ORP containing the proposed contractor scope of work for transportation and disposal of DOE IHLW and ILAW samples and failed High Level and Low Activity melters.
7. Letter reporting completion of Project W-520 design.
8. Submittal of Project W-520 PSAR and SARP to ORP for approval.
9. Submittal of draft FY 2005 ILAW Performance Assessment update to ORP for review by DOE-HQ.
10. Letter reporting start of construction of Project W-520.

**ASSUMPTIONS/TECHNICAL BOUNDARY CONDITIONS:** *(For reasonably foreseeable impacts to performance that are not within control of Contractor. If the assumption or condition proves false, the remedy is renegotiations unless stated otherwise.)*

1. Assumes the Critical Decision process, or other ORP required reviews and approvals not specified in Section 4, will be performed within a time period of 30 calendar days. For example, ORP shall provide formal response for Critical Decision 2 within 30 calendar days of receiving the Contractor approved Critical Decision 2 Package. A day for day slip in completion of the milestones will be given to the contractor for delays beyond the 30-calendar day response.
2. Assumes renegotiation of TPA Milestone M-90-09-T01, "Complete ILAW Disposal Facility Detailed Design," from 3/20/2004 to 3/31/2005.
3. Assumes renegotiation of TPA Milestone M-90-08, "Initiate ILAW Disposal Facility Construction," from 7/31/2004 to 3/31/2006.
4. Assumes renegotiation of TPA Milestone M-90-10, "Initiate Placement of ILAW Waste Canisters in ILAW Disposal Facility," from 1/31/2007 to 9/30/2008.

**SECTION 5**  
**Signatures**

\_\_\_\_\_  
ORP Contracting Officer Representative/Date

\_\_\_\_\_  
CHG President and General Manager/Date

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ORP Contracting Officer/Date

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CHG Contract Representative/Date